BANKS AND BANKING—PASS BOOKS—DUTY OF DEPOSITOR.—The plaintiff electric company kept an active account with the defendant bank, and this action was brought to recover a balance of deposit alleged to be due from the bank to plaintiff because of the bank's having paid a number of checks drawn by the plaintiff on its account, the amounts of which had been raised by the plaintiff's cashier after the checks had been signed by the plaintiff. When the plaintiff's president and the cashier examined the balanced pass book and vouchers returned to the plaintiff by the defendant bank at the end of each month, the cashier so manipulated the pass book and vouchers that the president saw only the pass book or the vouchers separately and never had a chance to compare the two, though with proper diligence on the part of the president, the trick could have been detected. Because of this the fraud was not discovered by the plaintiff for eighteen months. *Held,* a bank depositor is bound to examine within a reasonable time and with ordinary care the account rendered in the pass book and the vouchers returned by the bank to the depositor, and to report any errors discovered without unreasonable delay. *First National Bank of Richmond* v. *Richmond Electric Co.* (1907), — Va. —, 56 S. E. Rep. 152.

The former rule in cases of this kind seems to have been that the depositor was under no obligation to examine the checks and the balanced pass book returned to him by the bank, and was not concluded by his neglect so to do, and his consequent failure promptly to detect a false check, *Weisser* v. *Denison,* 10 N. Y. 68; *Manufacturers' Nat. Bank* v. *Barnes,* 65 Ill. 69; *First Nat. Bank* v. *Tappan,* 6 Kan. 456. This rule still obtains in some of the States, notably New York; but even in these jurisdictions the matter seems not to be wholly without doubt. *Frank* v. *Chemical Nat. Bank,* 84 N. Y. 209; *Bank of British North Am.* v. *Merchants' Nat. Bank,* 91 N. Y. 106; *Savings Bank* v. *National Bank,* 101 Iowa 530; *Cole* v. *Charles City Nat. Bank,* 114 Iowa 632. But the weight of authority and reason in the United States is with the rule in the principal case. *Leather Manufacturers' Nat. Bank* v. *Morgan,* 117 U. S. 96; *Birmingham Nat. Bank* v. *Allen,* 100 Ala. 476; *Janin* v. *London &c. Bank,* 92 Cal. 14; *Hardy* v. *Chesapeake Bank,* 51 Md. 562; *Dana* v. *Nat. Bank of the Republic,* 132 Mass. 156; *Scanlon-Gipson Co.* v. *Bank,* 90 Minn. 478; *McKeen* v. *Boatmens' Bank,* 74 Mo. App. 281; *Myers* v. *Southwestern Nat. Bank,* 193 Pa. St. 1; *Weinstein* v. *Jefferson Nat. Bank,* 69 Tex. 38.

BILLS AND NOTES—ANTECEDENT DEBT CONSTITUTES VALUE.—Plaintiff's agent, one of the defendants here, deposited money belonging to plaintiff in defendant bank and later obtained a cashier's check for the amount which he indorsed to defendant, Fuller, the consideration for such transfer being partly cash and partly a pre-existing debt owed by defendant agent to defendant, Fuller. In an action against the embezzling agent, the bank and Fuller, *held,* under § 2173, c. 54, vol. 1, Revisal 1905 of Laws of North Carolina, reading "that an antecedent or pre-existing debt constitutes value, and is deemed such whether the instrument is payable on demand or at a future time," that defendant, Fuller, took this instrument "for value" within the